GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:96
ANSWERED ON:27.07.2001
PROVISION OF FUNDS TO FCI FOR PROCUREMNENT IN STATES
GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether number of States have urged the Union Government to make available funds tothe Food Corporation of India to ensure the ongoing rabi rice procurement in the States;

(b) if so, the details therefor;

(c) whether in view of the bumber crops, the Union Government have asked the FCI to continueto procure the crops of wheat and rice without any limitations;

(d) if so, the details thereof;

(e) whether FCI has not been able to procure sufficient quantity of foodgrains in the States;

(f) if so, the reasons therefor alongwith quantity of wheat and rice procured during current rabi season;

(g) the reasons rice failure of FCI in procuring rice from Orissa; and

(h) the steps taken by the Government to help the farmers by procuring more and more stock of wheat and rice?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR)

(a),(b),(c),(d), (e),(f),(g) & (h) : A statement is being placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c),(d),(e),(f),(g) & (h) OF STARRED QUESTION NO. 96 DUE FOR ANSWER ON 27-07-2001 IN THE LOK SABHA.

(a)&(b): A request was received from the Government of Andhra Pradesh only to place funds at the disposal of the Food Corporation of India (FCI) in order to ensure smooth procurement of Rabi rice.

(c)&(d): Under the present system of procurement, farmers are free to sell their produce to FCI/State procuring agencies or in the open market as is advantageous to them. Hence, no targets are fixed for procurement of paddy/wheat. As regards levy rice, the percentage of rice to be delivered by millers is fixed under the Levy Orders issued by the State Governments after obtaining the concurrence of the Government of India.

(e)&(f): The procurement of wheat and rice (including paddy in terms of rice) has reached record levels. During Rabi Marketing Season 2001-02, the procurement of wheat was 206.15 lakh tonnes as compared to 163.56 lakh tonnes during the previous year. The procurement of rice during Kharif Marketing Season 2000-01 was 186.13 lakh tonnes as compared to 170.55 lakh tonnes in the previous year.

(g): It is not correct to say that FCI has failed to procure rice from Orissa.As on 23.7.2001, FCI had procured a quantity of 7.63 lakh tonnes of levy rice in Orissa as against 715 lakh tonnes procured during the corresponding period last year.

(h): In order to facilitate procurement, purchase centres are opened in different States to avoid distress sale. Quick payment is made to the farmers for their produce. Foodgrains are procured at Minimum Support Prices without any quantitative restrictions.Adequate publicity is given about the procurement prices, FAQ specifications and purchase centres. The Government of India is also encouraging the State Governments to adopt the Scheme of Decentralised Procurement with the objective to provide, inter alia, Minimum Support Prices to farmers all over the country instead of restricting this facility to those areas where procurement is currently taking place.